

3.5 SOCIOECONOMICS

This section describes current socioeconomic conditions within a region of influence (ROI) where the majority of the Tucson Electric Power Company (TEP) Sahuarita-Nogales Transmission Line Project workforce is expected to reside, based on proximity to the proposed corridors and historic employment patterns. The ROI is a two-county area in Arizona comprised of Pima and Santa Cruz Counties (see Figure 1.1–3). The ROI covers an area of 10,424 mi² (26,998 km²) around the proposed corridors (Census 2000a, 2000b). The ROI would be the same, regardless of the project alternative selected, because the workforce required to construct each alternative is expected to reside within these two counties.

3.5.1 Population and Housing

The City of Tucson comprises a small portion (223 mi² [577.6 km²] or 2.4 percent) of Pima County, yet is home to the majority of the population (57.6 percent) in the county (Census 2000c, Tucson 2001). The majority of Pima County outside of Tucson and all of Santa Cruz County are largely rural in character. Over the last 40 years, the population of Arizona has grown at an extremely accelerated rate, and has nearly quadrupled in number. Though the ROI has not experienced quite the same level of population growth as the state, the ROI has also experienced a high rate of population growth with the population more than tripling over the past 40 years. During the 1990s, Arizona's population increased by 40 percent, while the population of the ROI increased by 26.6 percent. Future population predictions show that the rapid population growth throughout Arizona is expected to continue in the near future. The population of the ROI is expected to grow at a higher rate than the state, 22.2 percent compared to 19.8 percent, over the next 10 years. Table 3.5–1 presents the historic and projected populations in the ROI and the state.

Table 3.5–1. Historic and Projected Population.

	1960	1970	1980	1990	2000	2010
Pima County	256,660	351,667	531,443	666,880	843,746	1,031,623
Santa Cruz County	10,808	13,966	20,459	29,676	38,381	46,246
ROI (Pima and Santa Cruz)	267,468	365,633	551,902	696,556	882,127	1,077,869
Arizona	1,302,160	1,770,900	2,718,215	3,665,228	5,130,632	6,145,108

Source: Census 2000a, 2000b.

Tucson is the largest city in the ROI with a population of 486,699 in the year 2000. Other cities include Green Valley in Pima County, with a population of 17,283 in 2000, and Nogales and Rio Rico in Santa Cruz County with populations of 20,878 and 10,413 in 2000 respectively (Census 2000c).

Table 3.5–2 presents housing characteristics in the ROI. There was a total of 379,773 housing units in the ROI in 2000.

In 2000, the median value of owner-occupied housing in the ROI was \$85,000 in Santa Cruz County and \$154,000 in Pima County. In 2000, median monthly rent was \$475 in Santa Cruz County and \$544 in Pima County. The rental vacancy rate in the ROI is equivalent to the state level of 9.2 percent. Based on the number of occupied rental units and the vacancy rate in the ROI, over 12,000 rental units are estimated to be currently vacant (Census 2000b).

Table 3.5–2. Region of Influence Housing Characteristics.

	Total Number of Housing Units	Number of Owner- Occupied Units	Owner- Occupied Vacancy Rates	Median Value	Number of Occupied Rental Units	Rental Vacancy Rates
Pima County	366,737	213,603	1.8%	\$154,000	118,747	9.2%
Santa Cruz County	13,036	11,809	2.1%	\$85,000	3,783	8.2%
ROI (Pima and Santa Cruz)	379,773	225,412	1.8%	NA	122,530	9.2%
Arizona	2,189,189	1,293,556	2.1%	NA	607,771	9.2%

Source: Census 2000c.

3.5.2 Employment and Income

Employment by sector over the last decade has changed slightly, as shown in Table 3.5–3. The services sector provides the highest percentage of the employment in the ROI, with 34.5 percent, followed by the wholesale and retail trade and government sectors with 21.2 percent and 17.9 percent, respectively. Farm employment has decreased over the last decade, providing 0.4 percent of employment in 1990 but only 0.3 percent in 1997 (BEA 1999). Table 3.5–3 presents employment levels for the major sectors of the ROI economy.

Table 3.5–3. Employment by Sector (Percent).

Sector	1990	1997
Services	32.2	34.5
Wholesale and retail trade	22.2	21.2
Government and government enterprises	18.0	17.9
Manufacturing	8.7	7.6
Construction	5.8	6.1
Finance, insurance, and real estate	7.6	6.4
Transportation and public utilities	3.3	4.2
Farm employment	0.4	0.3
Mining	0.8	0.7
Other Sectors	1.0	1.2

Source: BEA 1999.

The ROI experienced slight changes to the labor force throughout the late 1990s. The labor force decreased from 399,475 in 1995 to 397,175 in 2000, a 5-year growth rate of -0.6 percent. Employment experienced growth despite the decline in the labor force, increasing from 383,725 in 1995 to 384,425 in 2000, a 5-year growth rate of 0.2 percent. The ROI unemployment rate was 3.9 percent in 1995, falling to 3.2 percent in 2000, as shown in Table 3.5–4. Santa Cruz County experienced a large decrease in its unemployment rate during this period, with the rate dropping from 19.6 percent in 1995 to 13.8 percent in 2000. The average unemployment rate for the State of Arizona was 3.9 percent in 2000 (ADES 2001).

Per capita income in the ROI was \$26,248 in 1999, more than a 19 percent increase from the 1995 level of \$22,013. Per capita income was \$20,855 in Santa Cruz County and \$26,440 in Pima County. The per capita income in Arizona averaged \$28,807 in 1999, while the U.S. average was \$32,109 (CBP 1995a, 1995b, 1999a, 1999b, 1999c, 1999d).

Table 3.5–4. Region of Influence Unemployment Rates (Percent)

	1995	2000
Pima County	3.3	2.8
Santa Cruz County	19.6	13.8
ROI Total (Pima and Santa Cruz)	3.9	3.2
Arizona	5.1	3.9

Source: ADES 2001.

3.5.3 Community Services

This subsection presents the availability of community services in the project's ROI. Tucson is located approximately 15 mi (24 km) north of the northern end of the proposed project and large fire and police services associated with major metropolitan areas can be found there. Other fire and police stations are located along the various routes analyzed. In Pima County, there are 13 police stations and 24 fire stations, and in Santa Cruz County, there is one police station and 7 fire stations.

There are approximately 45 school districts serving the ROI, with the majority of them located in the Tucson metropolitan area in Pima County. These districts utilize over 7,200 teachers to educate over 139,000 students (EDU 2001a, 2001b). There are also 37 private schools in the ROI educating approximately an additional 9,800 students (EDU 2001c, 2001d). There are a number of institutions of higher learning in the ROI, including the University of Arizona, the University of Phoenix-Tucson Campus, Tucson University, and Pima Community College.

Although public transportation services exist in Pima and Santa Cruz counties, workers would not be able to take public transportation to construction staging areas.

Thirteen major hospitals are located in the ROI, 12 in Tucson and 1 in Nogales. There are 2,532 beds in these hospitals and over 2,500 physicians throughout the ROI (AHA 1995, AMA 1995). The majority of the hospital beds and physicians are located in the city of Tucson in Pima County.

3.5.4 Revenues for Forest-Based Activities

Revenues generated from activities on Federal lands are shared with local governments through various regulations, including the *25 Percent Fund Act* (Public Law 60-136) and Payments in Lieu of Taxes (PILT) (Public Law 94-565, Public Law 97-258). The majority of the revenues are generated by timber sales; however, mineral resources, grazing fees, and recreation also contribute to the total revenue generated by national forest land. In 1997, USFS, through the 25 Percent Fund, paid the State of Arizona \$2,214,865, of which \$43,676 and \$46,815 were paid to Pima and Santa Cruz Counties respectively. Additionally, PILT payments totaling \$9,439,156 were made to Arizona during 1997, including \$954,001 to Pima County and \$305,255 to Santa Cruz County. This total does not include payments made through the Minerals Management Service of the Department of the Interior.

Recently, these laws were amended by the *Secure Rural Schools and Community Self Determination Act* of 2000 (Public Law 106-393). Counties that have received payments previously are now eligible to collect either the traditional amount (usually 25 percent for USFS land) or an amount equal to the average of the three highest years' payments between 1986 and 1999. If the latter amount is requested (referred to as the "full payment"), the counties must use 80 to 85 percent of the total for traditional payments to support roads and schools (the percentage depends on the total amount received). The balance of the payment would be used for public land projects or county-level projects as determined by a resource advisory council in the local area. This new law went into effect for the fiscal year 2001 payments to states.